

To: Labor & Public Employees Committee

From: Robert Valentine, First Selectman, Town of Goshen

Date: March 8, 2016

Re: **HB-5377, AAC the Prevailing Wage - SUPPORT**

In view of the ongoing fiscal challenges facing the state and municipalities, mandate relief should be a top priority this session. Connecticut's small towns and cities are once again facing enormous pressure to hold the line on local budget and property tax increases although the cost of delivering critical local services is increasing each year. The state should act now to relieve some of the burden on our small towns and cities by addressing long-standing concerns with unfunded mandates.

One of the biggest mandates on municipalities is the prevailing wage mandate, which results in significantly higher costs for local projects such as schools, ball fields, salt sheds and senior centers. Prior to 1991, legislators adjusted the prevailing wage threshold on a six-year schedule to ensure that smaller projects were exempt from the mandate. However, the thresholds (\$100,000 for renovations and \$400,000 for new construction) have not been adjusted for more than twenty-five years.

Failure to adjust the thresholds for prevailing wage projects to exempt smaller town projects has cost Connecticut towns millions of dollars.

**Please support the provisions in HB-5377 which increase the prevailing wage thresholds to exempt smaller municipal projects.**